

improve quality and develop new outlets for Canadian produce. History has shown that the money the federal government spends for research benefits both consumers and farmers and, in the long run, consumers benefit the most.

The hon. member for Lisgar (Mr. Murta) asked what the government is prepared to do to cover the increasing input cost of farmers. The direct answer is to provide an atmosphere in which farmers can get maximum cash income to give them record net income returns. Cash income increased by 26 per cent in 1973 and 1972 which itself increased 18 per cent over 1971. Because input costs have increased proportionately less than cash income, we ended up last year with a record net income as I indicated earlier, an income away above anything the opposition members were ever able to produce when they were in government. Net income is expected to increase by another third in 1974 over last year. That will be made possible because we are keeping an eye on the admittedly rapid rising input costs.

Having taken considerable time of the House to explain the Liberal agricultural policy further, I must say I am pleased to note that members of the Conservative Party are ready to adopt the many initiatives this government is putting forward under the Liberal food policy, and so I perceive little difficulty when I present this legislation to the House.

In summary, let me say it is clear Canadian consumers are enjoying the biggest food bargain in the world. They are being served the highest quality food with ever-increasing built-in convenience, and they pay the lowest percentage of their income for food of any people in the world. Canadian farmers have improved their productivity and efficiency faster than our economy as a whole to make that bargain possible.

You know, Mr. Speaker, that other phases of society are not as productive as agriculture. We might consider that less than 7 per cent of our people produce all the food that is produced in Canada. Also, a tremendous amount of this food is exported. All we have to do is compare that with the situation in China where there are over 840 million people, 80 per cent of whom are engaged in the production of food and yet they do not produce enough for themselves. This is why we must be thankful we have the farmers we have in Canada. We also must be very cautious that we do not do something that would discourage them. I do not think we encourage people by criticizing them and watching what they do. I have some reservations about the Food Prices Review Board in this instance and how that part of society which is the most productive and has made available to society the highest quality food in the world at the most reasonable prices is watched more closely than any other part of society. I think we must be very cautious.

Many Canadian farmers have not received adequate incomes for their work, their investment and their skill, but farm incomes have finally shown a major improvement. The federal government is prepared to take important steps to make sure farmers hold on to that improvement and can lay the groundwork for an even better future. That will depend on the members of this House,

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the members of the provincial governments and the farmers of this nation.

The Canadian food bargain can continue in the future but only if farmers receive support from society as a whole and by this parliament. The programs the government has implemented and the ones outlined in the Speech from the Throne offer the government support that is needed.

● (1220)

Mr. Baker: Mr. Speaker, would the minister be prepared to answer a question with respect to a matter he raised?

Mr. Whelan: Yes, Mr. Speaker.

Mr. Baker: I share the minister's concern about brucellosis, and he and I have discussed this, but I also want to point out respectfully to the minister—

Mr. Speaker: Order, please. The hon. member rose for the purpose of asking a question.

Mr. Baker: Has any consideration been given by the government to increasing the compensation payable to farmers whose herds are stricken with brucellosis, and would this action be independent of the provincial government or in concert with the provincial government? Could he answer that question? There are many farmers in my area who are very concerned about the matter, and I am sure the same is true in Mr. Speaker's area.

Mr. Whelan: Mr. Speaker, last year about this time we doubled the compensation for purebred and grade cattle, fully realizing the extra cost of replacement stock, etc. I have made a submission to increase the compensation paid for cattle and as soon as it is dealt with I will be making an announcement.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I would like to start by joining the other speakers in the House who have congratulated the mover and seconder of the address, the hon. member for Spadina (Mr. Stollery) and the hon. member for Sherbrooke (Mr. Pelletier). I was particularly interested in the speech of the hon. member for Spadina because it was in that riding in 1945 that I first offered myself for parliament. At that time I gained great experience but very little else because I was nosed out by a mere 6,000 votes by a man for whom I have the greatest respect and liking, the present Senator David Croll. I was so short of workers that I was out on election day and at the end of it I was supervising the counting of votes in a polling subdivision. When I came back to the main committee room I found I was behind by 2,000 votes, and I never looked back from then on.

In the next few minutes I would like to deal with a subject on which the government has chosen to remain particularly silent over the past two or three years. I refer to the question of inflation which, as we see now only too well, is increasing at an annual rate of more than 9 per cent a year and gives every indication of exceeding 10 per cent during 1974.

Although recent Gallup polls show that the people of Canada have reached the highest consensus of the past 20 years in regarding inflation as the most serious problem facing our country, the Prime Minister (Mr. Trudeau) and